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Book 145

APPROPRIATION TO PAY FOR THE DANISH WEST INDIES

MESSAGE

FROM THE

President of the United States

INVITING THE ATTENTION OF THE CONGRESS TO
THE NECESSITY FOR MAKING AN APPROPRIATION
OF \$25,000,000 AS PAYMENT FOR THE PURCHASE
OF THE DANISH WEST INDIES

Wm. Franklin, 1917



JANUARY 23, 1917.—Read, referred to the Committee on Foreign Relations,
and ordered to be printed

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APPROPRIATIONS TO PAY FOR THE DANISH WEST INDIES.

To the Senate and House of Representatives:

I transmit herewith a report by the Secretary of State, with accompanying papers, concerning the treaty signed August 4, 1916, between the United States and Denmark for the cession to the United States of the Danish West Indian Islands and the obligations of the United States under the convention.

The attention of the Congress is especially invited to the necessity for action being taken by the Congress during its present session that will enable the Government of the United States to discharge its conventional obligation to pay to the Government of Denmark the sum of \$25,000,000, which, by Article V of the convention, the United States agrees to pay in full consideration of the cession within 90 days from the date of the exchange of the ratifications of the convention. This exchange of ratifications was effected on January 17, 1917, so that the good faith of the United States requires the payment of the \$25,000,000 not later than April 17, 1917, and to do this, provision by the Congress during its present session for the payment is imperative.

WOODROW WILSON.

THE WHITE HOUSE,
January 22, 1917.

The PRESIDENT: The undersigned, the Secretary of State, has the honor to transmit herewith a copy of the English text of a convention between the United States and Denmark, signed at the city of New York, August 4, 1916, together with copies of the notes exchanged between the high contracting parties in pursuance of the Senate resolution of September 9, 1916, giving the advice and consent of that body to the ratification of the convention. The exchange of the ratifications of the convention took place on January 17, 1917, and the convention is, therefore, now in force as a mutually binding obligation between the two countries concerned. By article 1 of this convention Denmark cedes to the United States, in return for a money payment, all territory, dominion, and sovereignty of Denmark in the West Indies, including the islands of St. Thomas, St. John, and St. Croix, together with the adjacent islands and rocks. The succeeding articles specify in detail certain terms and conditions regarding the cession. By article 5 the United States, in full consideration of the cession, agrees to pay within 90 days from the date of exchange of the ratifications, in the city of Washington, to the diplomatic representative or other agent of Denmark duly authorized to receive the money, the sum of \$25,000,000 in gold coin of the United States. This amount is therefore due from the United States to Denmark within the period ending April 17 next.

This convention is responsive to the conviction of both Governments, as well as of the people of the islands, that the Danish West Indies should belong to the United States. This conviction, as is well known, has been manifested in earlier treaties for the transfer of these islands to the United States. Without entering upon any extended historical review of the negotiations of these earlier treaties, it may be pointed out that the first negotiations for the purchase of the islands were initiated by Secretary Seward during the administration of President Lincoln, and before the close of the Civil War, culminating in the convention signed at Copenhagen October 24, 1867, during the administration of President Johnson, for the cession of the islands of St. Thomas and St. John. It is the opinion of students of the subject that this convention was brought about through the conviction of the United States gained by its naval operations during the Civil War, of the need of a naval coaling, supply, and repair station in the Caribbean Sea, in order that the United States might be placed on a footing with other great powers owning islands in those waters. This conviction, no doubt, was strengthened by the fact that the United States emerged from that war as a maritime power, to whom a good harbor and depot in the West Indies had become a matter of so great importance, if not of necessity, that the United States could not wish to see the Danish West Indies fall into the hands of another power.

Although the plebiscite in St. Thomas and St. John held under the treaty of 1867 was overwhelmingly in favor of the cession, and the treaty was promptly approved by the Danish Rigsdag and ratified and signed by the King, and although the period for ratification was extended from time to time to April 14, 1870, the Senate Committee on Foreign Relations took no action until March 24, 1870, when Senator Sumner reported it adversely and the Senate acquiesced in that opinion.

Prior to the Spanish War overtures were again made for the cession of the islands—this time initiated by the Danish Government. During the Spanish War the question of the purchase of the islands was further agitated. Concurrently with the discussion of the Isthmian Canal and the protection of the islands obtained from Spain, a second treaty for the purchase of the Danish West Indies was signed at Washington, January 24, 1902. In reporting this treaty favorably to the Senate, Senator Cullom, of the Committee on Foreign Relations, stated:

These islands, together with Porto Rico, are of great importance in a strategic way, whether the strategy be military or commercial. St. Thomas is the natural point of call for all European trade bound to the West Indies, Central America, or northern South America. These islands, together with Porto Rico, form the northeastern corner of the Caribbean Sea, and are of great importance in connection with the American isthmus, where a canal will be constructed between the Atlantic and Pacific. They are of first importance in connection with our relations to the region of the Orinoco and the Amazon and with our control of the Windward Passage.

The treaty was approved by the United States Senate February 17, 1902, but failed of ratification by a tie vote in the upper house of the Danish Rigsdag.

All of the reasons upon which the two prior treaties were based, whether strategic, economic, or political, are of more force to-day than in previous years. There can be no question as to the value of

St. Thomas Harbor as a naval port, with its circular configuration, ample roadsteads, protection from prevailing winds and seas, and facilities for fortifications. Moreover, the advantages of the possession of a naval base off the entrance of the Panama Canal and near the island of Porto Rico are self-evident.

The commercial value of the islands can not be doubted. Lying in close proximity to many of the passages into the Caribbean Sea, the use of St. Thomas Harbor as a supply station for merchant ships plying between the United States and South America, and for vessels in other trades, is of great importance. The existing modern harbor works, floating docks, marine slip and wharves provided with electric cranes, oil reservoirs, coal depots, fresh-water tanks, machine shops, and warehouses contribute to the commercial advantages of St. Thomas Harbor as a port of call and transshipment for ships in the Central and South American trades.

The political importance of extending American jurisdiction over the islands is not to be overlooked. The Caribbean is within the peculiar sphere of influence of the United States, especially since the completion of the Panama Canal, and the possibility of a change of sovereignty of any of the islands now under foreign jurisdiction is of grave concern to the United States. Moreover, the Monroe doctrine, a settled national policy of the United States, would have caused this country to look with disfavor upon the transfer of sovereignty of the Danish West Indies to any other European nation.

In view of these considerations, the treaty of cession of these islands to the United States is a matter of no small moment to this country. I do not hesitate, therefore, to recommend that the Congress be urged to take action during the present session to enable this Government to discharge its conventional obligation to Denmark by the payment to the Government of Denmark of the sum of \$25,000,000 by April 17 next.

Respectfully submitted.

ROBERT LANSING.

DEPARTMENT OF STATE,
Washington, January 22, 1917.

JANUARY 3, 1917.

SIR: I have the honor to inform you that the Senate of the United States, by its resolution of ratification, has advised and consented to the ratification of the convention between the United States and Denmark ceding to the United States the Danish West Indian Islands, with the following provisos:

Provided, however, That it is declared by the Senate that in advising and consenting to the ratification of the said convention, such advice and consent are given with the understanding, to be expressed as a part of the instrument of ratification, that such Convention shall not be taken and construed by the High Contracting Parties as imposing any trust upon the United States with respect to any funds belonging to the Danish National Church in the Danish West Indian Islands, or in which the said church may have an interest nor as imposing upon the United States any duty or responsibility with respect to the management of any property belonging to said church, beyond protecting said church in the possession and use of church property as stated in said Convention, in the same manner and to the same extent only as other churches shall be protected in the possession and use of their several properties: *And*

provided further, That the Senate advises and consents to the ratification of the said Convention on condition that the attitude of the United States in this particular, as set forth in the above proviso, be made the subject of an exchange of notes between the Governments of the two High Contracting Parties, so as to make it plain that this condition is understood and accepted by the two Governments, the purpose hereof being to bring the said Convention clearly within the Constitutional powers of the United States with respect to church establishment and freedom of religion.

In view of this resolution of the Senate I have the honor to state that it is understood and accepted by the Government of the United States and the Government of Denmark that the provisions of this convention referring to the property and funds belonging to the Danish national church in the Danish West Indian islands shall not be taken and construed by the high contracting parties as imposing any trust upon the United States with respect to any funds belonging to the Danish national church in the Danish West Indian islands, or in which the said church may have an interest, nor as imposing upon the United States any duty or responsibility with respect to the management of any property belonging to said church, beyond protecting said church in the possession and use of church property as stated in said convention, in the same manner and to the same extent only as other churches shall be protected in the possession and use of their several properties.

I trust that your Government will, in a formal reply to this communication, accept this understanding as to the meaning and construction of the provisions of said convention in accordance with the foregoing resolution of the Senate.

Accept, sir, the renewed assurances of my highest consideration.

ROBERT LANSING.

MR. CONSTANTIN BRUN.

Minister of Denmark.

THE DANISH LEGATION,

Washington, D. C., January 3, 1917.

SIR: In reply to your communication of this day concerning the relation of the United States to the rights of the Established Church in the Danish West Indies and to the provisions referring to this point in the convention between the United States and Denmark ceding to the States the Danish West Indian Islands, I have the honor to state that it is understood and accepted by the Government of Denmark and the Government of the United States that the provisions of this convention referring to the property and funds belonging to the Danish National Church in the Danish West Indian Islands shall not be taken and construed by the high contracting parties as imposing any trust upon the United States with respect to any funds belonging to the Danish National Church in the Danish West Indian Islands or in which the said church may have an interest, nor as imposing upon the United States any duty or responsibility with respect to the management of any property belonging to said church beyond protecting said church in the possession and use of church property, as stated in said convention, in the same manner and to the same extent only as other churches shall be protected in the possession and use of their several properties.

It will be evident from the above that the Danish Government accept the understanding as to the meaning and construction of the provisions of the said convention in accordance with the resolution of the United States Senate concerning the question of the rights of the church in the islands.

I have the honor to be, sir, with the highest consideration,

Your most obedient and humble servant,

C. BRUN.

The honorable ROBERT LANSING,

Secretary of State of the United States.

CONFIDENTIAL.

64TH CONGRESS, } IN THE SENATE—IN EXECU- { EXECUTIVE
1st Session. } TIVE SESSION. { DOCUMENT D.

CESSION OF THE DANISH WEST INDIES.

M E S S A G E

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING

**A CONVENTION BETWEEN THE UNITED STATES AND DENMARK
RESPECTING THE CESSION OF THE DANISH WEST INDIAN
ISLANDS TO THE UNITED STATES, SIGNED AT NEW YORK,
AUGUST 4, 1916.**

AUGUST 8, 1916.—Message read; convention read the first time and referred to the Committee on Foreign Relations, and, together with the message, ordered to be printed in confidence for the use of the Senate.

JANUARY 23, 1917.—Injunction of secrecy removed.

To the Senate:

With a view to receiving the advice and consent of the Senate to its ratification, I transmit herewith a convention between the United States and Denmark respecting the cession of the Danish West Indian Islands to the United States, signed at New York on August 4, 1916.

I also transmit, for the information of the Senate, a declaration made by the Secretary of State at the time of the signing of the convention "that the Government of the United States will not object to the Danish Government extending their political and economic interests to the whole of Greenland."

The attention of the Senate is invited to the recommendation made in the accompanying report of the Acting Secretary of State that the Senate will provide for the retaining of the injunction of secrecy on the convention until such time as the two Governments shall agree to make it public.

WOODROW WILSON.

THE WHITE HOUSE,
Washington, August 8, 1916.

DEPARTMENT OF STATE.
Washington, August 7, 1916.

The PRESIDENT:

The undersigned, the Acting Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate, if his judgment approve thereof, to receive the advice and consent of that body to its ratification, a convention between the United States and Denmark respecting the cession of the Danish West Indian Islands to the United States, signed at New York on August 4, 1916.

The undersigned has also the honor to submit, for the information of the Senate, a declaration made by the Secretary of State at the time of the signing of the convention "that the Government of the United States of America will not object to the Danish Government extending their political and economic interests to the whole of Greenland."

As the Danish Government has requested that publicity of the terms of the convention be withheld until such time as the two Governments shall agree to promulgate them, the undersigned begs to suggest that it be recommended to the Senate that in giving its advice and consent to the ratification of the convention, its resolution include a provision that the injunction of secrecy shall remain on the convention until the two Governments shall agree to make it public.

Respectfully submitted.

FRANK L. POLK.

Accompaniments:

Treaty with Denmark.

Declaration by the Secretary of State.

DECLARATION BY THE SECRETARY OF STATE.

In proceeding this day to the signature of the convention respecting the cession of the Danish West Indian Islands to the United States of America, the undersigned Secretary of State of the United States of America, duly authorized by his Government, has the honor to declare that the Government of the United States of America will not object to the Danish Government extending their political and economic interests to the whole of Greenland.

(Signed) ROBERT LANSING.

NEW YORK, *August 4, 1916.*

CONVENTION BETWEEN HIS MAJESTY THE KING OF DENMARK AND
THE UNITED STATES OF AMERICA RESPECTING THE CESSION OF THE
DANISH WEST-INDIAN ISLANDS.

The United States of America and His Majesty the King of Denmark being desirous of confirming the good understanding which exists between them, have to that end appointed as Plenipotentiaries:

The President of the United States: Mr. Robert Lansing, Secretary of State of the United States.

and His Majesty the King of Denmark: Mr. Constantin Brun, His Majesty's Envoy extraordinary and Minister plenipotentiary at Washington.

who, having mutually exhibited their full powers which were found to be in due form, have agreed upon the following articles:

ARTICLE 1.

His Majesty the King of Denmark by this convention cedes to the United States all territory, dominion and sovereignty, possessed, asserted or claimed by Denmark in the West Indies including the Islands of Saint Thomas, Saint John and Saint Croix together with the adjacent islands and rocks.

This cession includes the right of property in all public, government, or crown lands, public buildings, wharves, ports, harbors, fortifications, barracks, public funds, rights, franchises, and privileges, and all other public property of every kind or description now belonging to Denmark together with all appurtenances thereto.

In this cession shall also be included any government archives, records, papers or documents which relate to the cession or the rights and property of the inhabitants of the Islands ceded, and which may now be existing either in the Islands ceded or in Denmark. Such archives and records shall be carefully preserved, and authenticated copies thereof, as may be required shall be at all times given to the United States Government or the Danish Government, as the case may be, or to such properly authorized persons as may apply for them.

ARTICLE 2.

Denmark guarantees that the cession made by the preceding article is free and unencumbered by any reservations, privileges, franchises, grants, or possessions, held by any governments, corporations, syndicates, or individuals, except as herein mentioned. But it is understood that this cession does not in any respect impair private rights which by law belong to the peaceful possession of property of all kinds by private individuals of whatsoever nationality, by municipalities, public or private establishments, ecclesiastical or civic bodies, or any other associations having legal capacity to acquire and possess property in the Islands ceded.

The congregations belonging to the Danish National Church shall retain the undisturbed use of the churches which are now used by them, together with the parsonages appertaining thereunto and other appurtenances, including the funds allotted to the churches.

ARTICLE 3.

It is especially agreed, however, that:

1) The arms and military stores existing in the Islands at the time of the cession and belonging to the Danish Government shall remain the property of that Government and shall, as soon as circumstances will permit, be removed by it, unless they, or parts thereof, may have been bought by the Government of the United States: it being however understood that flags and colors, uniforms and such arms or

military articles as are marked as being the property of the Danish Government shall not be included in such purchase.

2) The movables, especially silver plate and pictures which may be found in the government buildings in the islands ceded and belonging to the Danish Government shall remain the property of that Government and shall, as soon as circumstances will permit, be removed by it.

3) The pecuniary claims now held by Denmark against the colonial treasuries of the islands ceded are altogether extinguished in consequence of this cession and the United States assumes no responsibility whatsoever for or in connection with these claims. Excepted is however the amount due to the Danish Treasury in account current with the West-Indian colonial treasuries pursuant to the making up of accounts in consequence of the cession of the islands; should on the other hand this final accounting show a balance in favour of the West-Indian colonial treasuries, the Danish Treasury shall pay that amount to the colonial treasuries.

4) The United States will maintain the following grants, concessions and licenses, given by the Danish Government, in accordance with the terms on which they are given:

a. The concession granted to "Det vestindiske Kompagni" (the West-Indian Company) Ltd. by the communications from the Ministry of Finance of January 18th, 1913, and of April 16th, 1913, relative to a license to embank, drain, deepen and utilize certain areas in St. Thomas Harbor and preferential rights as to commercial, industrial or shipping establishments in the said Harbor.

b. Agreement of August 10th and 14th, 1914, between the municipality of St. Thomas and St. John and "Det vestindiske Kompagni" Ltd. relative to the supply of the city of Charlotte Amalie with electric lighting.

c. Concession of March 12th, 1897, to "The Floating Dock Company of St. Thomas Ltd.", subsequently transferred to "The St. Thomas Engineering and Coaling Company Ltd." relative to a floating dock in St. Thomas Harbor, in which concession the maintenance, extension, and alteration of the then existing repairing slip are reserved.

d. Royal Decree Nr. 79 of November 30th, 1914, relative to the subsidies from the colonial treasuries of St. Thomas and Sainte Croix to "The West India and Panama Telegraph Company Ltd."

e. Concession of November 3rd, 1906, to K. B. Hey to establish and operate a telephone system on St. Thomas island, which concession has subsequently been transferred to the "St. Thomas Telefonselskab" Ltd.

f. Concession of February 28th, 1913, to the municipality of Sainte Croix to establish and operate a telephone system in Sainte Croix.

g. Concession of July 16th, 1915, to Ejnar Svendsen, an Engineer, for the construction and operation of an electric light plant in the city of Christiansted, Sainte Croix.

h. Concession of June 20th, 1904, for the establishment of a Danish West-Indian bank of issue. This bank has for a period of 30 years acquired the monopoly to issue bank-notes in the Danish West-India islands against the payment to the Danish Treasury of a tax amounting to ten percent of its annual profits.

i. Guarantee according to the Danish supplementary Budget Law for the financial year 1908-1909 relative to the St. Thomas Harbor's four percent loan of 1910.

5) Whatever sum shall be due to the Danish Treasury by private individuals on the date of the exchange of ratifications are reserved and do not pass by this cession; and where the Danish Government at that date holds property taken over by the Danish Treasury for sums due by private individuals, such property shall not pass by this cession, but the Danish Government shall sell or dispose of such property and remove its proceeds within two years from the date of the exchange of ratifications of this convention; the United States Government being entitled to sell by public auction, to the credit of the Danish Government, any portion of such property remaining unsold at the expiration of the said term of two years.

6) The Colonial Treasuries shall continue to pay the yearly allowances now given to heretofore retired functionaries appointed in the islands but holding no Royal Commissions, unless such allowances may have until now been paid in Denmark.

ARTICLE 4.

The Danish Government shall appoint with convenient despatch an agent or agents for the purpose of formally delivering to a similar agent or agents appointed on behalf of the United States, the territory, dominion, property, and appurtenances which are ceded hereby, and for doing any other act which may be necessary in regard thereto. Formal delivery of the territory and property ceded shall be made immediately after the payment by the United States of the sum of money stipulated in this convention; but the cession with the right of immediate possession is nevertheless to be deemed complete on the exchange of ratifications of this convention without such formal delivery. Any Danish military or naval forces which may be in the islands ceded shall be withdrawn as soon as may be practicable after the formal delivery, it being however understood that if the persons constituting these forces, after having terminated their Danish service, do not wish to leave the Islands, they shall be allowed to remain there as civilians.

ARTICLE 5.

In full consideration of the cession made by this convention, the United States agrees to pay, within ninety days from the date of the exchange of the ratifications of this convention, in the City of Washington to the diplomatic representative or other agent of His Majesty the King of Denmark duly authorized to receive the money, the sum of twenty-five million dollars in gold coin of the United States.

ARTICLE 6.

Danish citizens residing in said islands may remain therein or may remove therefrom at will, retaining in either event all their rights of property, including the right to sell or dispose of such property or its proceeds; in case they remain in the Islands, they shall continue until otherwise provided, to enjoy all the private, municipal and religious rights and liberties secured to them by the laws now in force. If

the present laws are altered the said inhabitants shall not thereby be placed in a less favorable position in respect to the above-mentioned rights and liberties than they now enjoy. Those who remain in the islands may preserve their citizenship in Denmark by making before a court of record, within one year from the date of the exchange of ratifications of this convention, a declaration of their decision to preserve such citizenship; in default of which declaration they shall be held to have renounced it, and to have accepted citizenship in the United States: for children under eighteen years the said declaration may be made by their parents or guardians. Such election of Danish citizenship shall however not, after the lapse of the said term of one year, be a bar to their renunciation of their preserved Danish citizenship and their election of citizenship in the United States and admission to the nationality thereof on the same terms as may be provided according to the laws of the United States, for other inhabitants of the islands.

The civil rights and the political status of the inhabitants of the islands shall be determined by the Congress, subject to the stipulations contained in the present convention.

Danish citizens not residing in the islands but owning property therein at the time of the cession shall retain their rights of property, including the right to sell or dispose of such property, being placed in this regard on the same basis as the Danish citizens residing in the islands and remaining therein or removing therefrom, to whom the first paragraph of this article relates.

ARTICLE 7.

Danish subjects residing in the Islands shall be subject in matters civil as well as criminal to the jurisdiction of the courts of the Islands, pursuant to the ordinary laws governing the same, and they shall have the right to appear before such courts, and to pursue the same course therein as citizens of the country to which the courts belong.

ARTICLE 8.

Judicial proceedings pending at the time of the formal delivery in the islands ceded shall be determined according to the following rules:

(1) Judgments rendered either in civil suits between private individuals, or in criminal matters, before the date mentioned, and with respect to which there is no recourse or right to review under Danish law, shall be deemed to be final, and shall be executed in due form and without any renewed trial whatsoever, by the competent authority in the territories within which such judgments are to be carried out.

If in a criminal case a mode of punishment has been applied which, according to new rules, is no longer applicable on the islands ceded after delivery, the nearest corresponding punishment in the new rules shall be applied.

(2) Civil suits or criminal actions pending before the first courts, in which the pleadings have not been closed at the same time, shall be confirmed before the tribunals established in the ceded islands after the delivery, in accordance with the law which shall thereafter be in force.

(3) Civil suits and criminal actions pending at the said time before the Superior Court or the Supreme Court in Denmark shall continue

to be prosecuted before the Danish courts until final judgment according to the law hitherto in force. The judgment shall be executed in due form by the competent authority in the territories within which such judgment should be carried out.

ARTICLE 9.

The rights of property secured by copyrights and patents acquired by Danish subjects in the islands ceded at the time of exchange of the ratifications of this treaty shall continue to be respected.

ARTICLE 10.

Treaties, conventions, and all other international agreements of any nature existing between Denmark and the United States shall *eo ipso* extend, in default of a provision to the contrary, also to the ceded islands.

ARTICLE 11.

In case of differences of opinion arising between the High Contracting Parties in regard to the interpretation or application of this convention, such differences, if they can not be regulated through diplomatic negotiations, shall be submitted for arbitration to the permanent Court of Arbitration at The Hague.

ARTICLE 12.

The ratifications of this convention shall be exchanged at Washington as soon as possible after ratification by both of the High Contracting Parties according to their respective procedure.

In faith whereof the respective plenipotentiaries have signed and sealed this convention in the English and Danish languages.

Done at New York this fourth day of August, one thousand nine hundred and sixteen.

(SEAL)

(SEAL)

ROBERT LANSING.
C. BRUN.



Gaylord Bros.

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